clinical trials that lead to advances in medicine, including new treatments and cures for disease, and care for the most medically complex patients. To place their contributions in perspective, academic medical centers constitute only two percent of the nation's nonfederal hospital beds, yet they conduct 42% of all of the health research and development in the United States, provide 33% of all trauma units and 31% of all AIDS units. Academic medical centers also treat a disproportionate share of the nation's indigent patients.

To pay for training the nation's health professionals, our academic medical centers must rely on the Medicare program. But Medicare's contribution does not fully cover the costs of residents' salaries, and more importantly, this funding system fails to recognize that graduate medical education benefits all segments of society, not just Medicare beneficiaries. At a time when Congress is revising the Medicare program to ensure that the Hospital Insurance Trust Fund can remain solvent for future generations, GME costs are threatening to break the bank.

The All-Payer Graduate Medical Education Act distributes the expense of graduate medical education more fairly by establishing a Trust funded by a 1% fee on all private health care premiums. Teaching hospitals receive approximately $3 billion annually in additional GME payments from the Trust, while Medicare's annual contribution to GME decreases by $1 billion. The current formula for direct graduate medical education payments is based upon cost reports generated more than 15 years ago, and it unfairly rewards some hospitals and penalizes others. This bill replaces the current formula with a fair, national system for direct graduate medical education payments based upon actual resident wages. Children's hospitals, which have unfairly received only very limited support for their pediatric training programs, will receive funding for their GME programs.

Critics of indirect GME payments have sought greater accountability for the billions of dollars academic medical centers receive each year. The All-Payer Graduate Medical Education Act requires hospitals to report annually on their contributions to improved patient care, education, clinical research, and community services. The formula for indirect GME payments will be changed to more accurately reflect MedPAC's estimates of true indirect costs.

My bill also addresses the supply of physicians in this country. Nearly every commission that has studied the physician workforce has recommended reducing the number of first-year residency positions to 110% of the number of American medical school graduating seniors. This bill directs the Secretary of HHS, working with the medical community, to develop and implement a plan to accomplish this goal within five years. In doing so, we ensure that rural and urban hospitals that need residents to deliver care to underserved populations receive an exception from the cap.

Medicare disproportionate share payments are particularly important to our safety-net hospitals. Many of these hospitals, which treat the indigent, are in dire financial straits. This bill reallocates disproportionate share payments, at no cost to the federal budget, to hospitals that carry the greatest burden of poor patients. Hospitals that treat Medicaid-eligible and indigent patients will be able to count these patients when they apply for disproportionate share payments. In addition, these payments will be distributed uniformly nationwide, without regard to hospital size or location. Rural public hospitals, in particular, will benefit from this provision.

Finally, because graduate medical education encompasses the training of other health professionals, this bill provides for $300 million annually of the Medicare savings to support graduate training programs for nurses and other allied health professionals. These funds are in addition to the current support that Medicare provides for the nation's diploma nursing schools.

The All-Payer Graduate Medical Education Act creates a fair system for the support of graduate medical education—fair in the distribution of costs to all payers of medicare, fair in the allocation of payments to hospitals. Everyone benefits from advances in medical research and well-trained health professionals. Life expectancy at birth has increased from 68 years in 1950 to 76 years today. Medical advances have dramatically improved the quality of life for millions of Americans. And it is largely because of our academic medical centers that we are in the midst of a new era of biotechnology that will extend the advances of medicine beyond imagination, advances that will prevent disease and disability, extend life, and ultimately lower health care costs.

The Association of American Medical Colleges, the National Association of Public Hospitals, the National Association of Children's Hospitals, the American Medical Student Association, the American Physical Therapy Association, the American Occupational Therapy Association, the American Speech-Language, Hearing Association, and the American Association of Colleges of Nursing have all expressed support for the bill.

I urge my colleagues to join me in protecting America's academic medical centers and the future of our physician workforce by cosponsoring the All-Payer Graduate Medical Education Act.

IN RECOGNITION OF DR. GEORGE A. HURST, M.D.

HON. RALPH M. HALL

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 23, 1999

Mr. HALL of Texas. Mr. Speaker, I rise today to pay tribute to a great American, who has dedicated his life to those less fortunate—Dr. George A. Hurst, M.D., of Tyler, Texas. In honor of his tireless sacrifices and endless contributions to the medical community, Dr. Hurst will be named as Director Emeritus at the University of Texas Health Center at Tyler on March 31, 1999.

The son of American missionaries, Dr. Hurst was born in Brazil, attended high school in Georgia and graduated from Austin College. He earned his medical degree from the University of Texas Southwestern Medical School in Dallas and interned at Parkland Memorial Hospital.

In 1964, he came to Tyler as the Clinical Director of the East Texas Chest Hospital. In 1970, he was named Director and worked in that capacity until January of 1998. In 1977, the hospital became a part of the University of Texas System and was renamed the University of Texas Health Center at Tyler (UTHCT).

Working with the leadership of the UT System, he has guided the institution through a remarkable period of growth in its facilities including: the Patient Tower in 1980, the Biomedical Research Building in 1987, the Medical Resident Center in 1987 and the Ambulatory Clinic Building in 1996. More importantly, UTHCT evolved from a chest hospital to an acute care facility with a multiple mission of patient care, medical education and biomedical research. To help fulfill this mission, The Family Practice and Occupational Medicined Residency Programs were begun during his tenure.

A dedicated servant, he has served his institution, community, family and church with humility and insightful leadership. A godly man, placing others before self, he dedicated his life to caring for those in need and in so doing achieved a high level of respect from his peers, as signified by the many honors bestowed upon him.

The University of Texas Health Center at Tyler is honored to recognize, Dr. George A. Hurst, Director Emeritus, for his exemplary service to mankind as its Director from 1970–1998.

Mr. Speaker, as we adjourn today, let us do so in honor and respect for this great American—Dr. George A. Hurst, M.D.

TRIBUTE TO EARL HENDRIX—PROGRESSIVE FARMER'S MAN OF THE YEAR IN SOUTHEAST AGRICULTURE

HON. ROBIN HAYES

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 23, 1999

Mr. HAYES. Mr. Speaker, it is my privilege and pleasure to rise today to pay special tribute to Mr. Earl Hendrix of Hoke County, North Carolina. Mr. Hendrix was recently named Man of the Year in Southeast Agriculture by Progressive Farmer.

Earl Hendrix is a lifelong farmer, known for his quiet, unselfish leadership. He has made outstanding contributions to North Carolina agriculture as a producer of soybeans, tobacco, corn, small grains, cotton, tobacco seed and swine.

Mr. Hendrix has served on many agricultural boards over the years including the state boards of the Cotton Promotion Association, the Small Grain Growers Association and the Soybean Producers Association. He is former president of the Soybean Producers.

Nationally, Hendrix is serving his third term on the United Soybean Board and is chairman of the USB Production Research Committee which oversees more than $6 million annually for soybean research nationwide.

Mr. Hendrix has been honored by the North Carolina Association of County Agriculture Agents and has been the recipient of the state commissioner's ''Friend of Agriculture'' award. He has received the Natural Resources Conservation Service Conservationist of the Year award and he and his wife, Hazel, are the recipients of the Extension Area Farm Family of the Year Award.

Mr. and Mrs. Hendrix have three children, two of whom are partners on the family farm.